

**STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION**

IN THE MATTER OF:)
)
ASIC BITPRO)
ELIZABETH CUMMINGS)
)
RESPONDENTS)

**ADMINISTRATIVE ORDER
NO. CD-2020-0016**

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having the authority to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, has determined as follows:

RESPONDENTS

1. ASIC BITPRO ("BITPRO") purports to be a cryptocurrency cloud mining company and may be served at the address listed on the company's website, www.asicbitpro.net, which is 144 Louisiana Street, Winnfield, LA 71483, USA. BITPRO may also be contacted through its domain provider at the following address: Klapparstigur 7, 101 Reykjavik, Iceland.

2. ELIZABETH CUMMINGS ("CUMMINGS") purports to be from the Birmingham, Alabama area. CUMMINGS represents herself as an Investment Specialist at BITPRO. CUMMINGS may be served at the address listed on the company's website, www.asicbitpro.net, which is 144 Louisiana Street, Winnfield, LA 71483, USA.

STATEMENT OF FACTS

3. RESPONDENTS attempted to profit off the coronavirus disease 2019 ("COVID-19") global health crisis by soliciting an Alabama resident to invest that Alabama resident's COVID-19 economic impact payment in RESPONDENTS' scheme via a popular social media platform. RESPONDENTS further represented that the Alabama resident could collect COVID-

19 economic impact payments from members of their church group to invest in RESPONDENTS' scheme.

4. Through content delivered to Alabama residents via a popular social media platform, RESPONDENTS guaranteed returns of "7,662% to 34,259% R.O.I. daily/weekly on starting capital." RESPONDENTS also represented that a \$1,000 investment in their scheme would generate a daily return on investment of \$1,196 for seven (7) days. This is a daily investment return of approximately 120% and a total return of approximately 840% on the full seven (7) day investment contract.

5. RESPONDENTS attempted to induce potential investments in the scheme by claiming;

It probably seems to far-fetched to get involved at this time? Not really because with the cloud mining strategy, every investor is entitled to a miner which generates these bitcoins. I will explain..Cloud mining is the process of cryptocurrency mining, utilizing a remote datacenter with shared processing power. Cloud mining enables users to mine bitcoins or without managing the hardware. Asic Bit Pro cloud mining Opp is a verified cloud mining platform which offers Bitcoin enthusiasts or Investors the opportunity to rent or subscribe to our bitcoin miners which are situated in our vationous mining rig across the United States and Europe with over 20,000 Bitmain Antminer S17 Pro in each of our rigs...kindly revert if this opportunity interests you.

6. RESPONDENTS referred potential investors to a website, which can be accessed by Alabama investors, at the URL of www.asicbitpro.net. A review of the website at this URL revealed RESPONDENTS claiming;

ASIC BIT PRO IS an International Investment Company in louisiana, USA....(offering) real incomes per day. The funds of our investors are reinvested by our team in the Financial Market & Used to rent machines in our world class mining farms, where we guarantee the payment to all investors with total security and responsibility, which are fundamental to our success over the years...Farm-Mining offers an excellent Referral Commission and multi-level marketing system, which pays commissions of levels (10%).

7. In March 2020, the Better Business Bureau ("BBB") conducted an investigation on BITPRO after receiving a complaint from a consumer. The BBB determined the company was

verified to be a scam victimizing people online with a fake cloud data mining service. The scam works by the scammer promising large returns but fails to disclose a range of hidden fees charged after the initial server rental. This allows the scammer to make the user pay more money to get out of the contract.

8. A review of the registration files of the Commission revealed no registration for RESPONDENTS in any capacity as of August 25, 2020. As of this date, no registration, notice filing, or exemption has been perfected for the investment contracts offered by RESPONDENTS.

9. A review of the Alabama Secretary of State's online database revealed no record for BITPRO as a domestic or foreign business registered in Alabama. A review of the Louisiana Secretary of State's online database revealed no record for BITPRO as a domestic or foreign business registered in Louisiana

CONCLUSIONS OF LAW

10. Pursuant to Section 8-6-2(10), Code of Alabama 1975, the definition of "security" includes an investment contract. The "mining plans" offered and made available from BITPRO to Alabama citizens in which investors invest monetary value in a cryptocurrency mining scheme from which profits would be derived from the crypto-mining efforts of BITPRO are securities as defined by the Act.

11. Pursuant to Section 8-6-2(5), Code of Alabama 1975, the definition of "issuer" includes "every person who proposes to issue, has issued, or shall hereafter issue any security." BITPRO is representing itself to be issuing securities in the form of investment contracts and is an issuer as defined by the Act.

12. Pursuant to Section 8-6-2(2), Code of Alabama 1975, the definition of an "agent" includes any individual who represents a dealer or issuer in attempting to affect the sale of a security. CUMMINGS represents BITPRO, an issuer, in attempting to affect the sale of securities, the investment contracts called "mining plans", and is an agent as defined by the Act.

13. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any person to transact business in this State as a dealer or agent for securities unless such person is registered under the Act. Additionally, it is unlawful to employ any person as an agent for sale of securities unless that person is registered. BITPRO employed CUMMINGS, an unregistered agent, to assist in effecting sales of securities, the "mining plans", on behalf of BITPRO in violation of the Act. CUMMINGS acted as an agent of BITPRO while not registered as such with the Commission in violation of the Act.

14. Pursuant to Section 8-6-4, Code of Alabama 1975, it is unlawful to offer any security in this state unless it is registered under the Act or is subject to a perfected exemption from registration. BITPRO and CUMMINGS offered a security to an Alabama citizen while that security was not registered, nor subject to a perfected exemption from registration in violation of the Act.

15. Pursuant to Section 8-6-17(a)(1), Code of Alabama 1975, it is unlawful for any person, in connection with the offer of a security, to employ any device, scheme, or artifice to defraud. BITPRO and CUMMINGS employed a scheme or artifice to defraud through the offer of securities, the "mining plans", in which they represented that investment returns would be in excess of 7,000% per annum and offered guaranteed returns without any reasonable basis in violation of the Act.

This Order does not prevent the Commission from seeking such other civil or criminal remedies that are available to it under the Act.

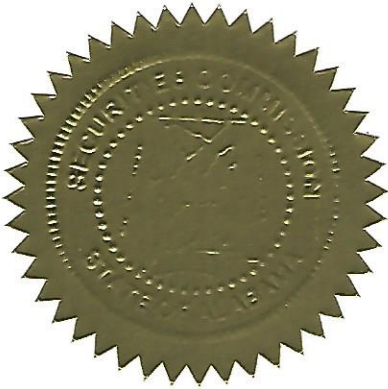
This Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the Act.

Additionally, if the allegations set forth herein are found to be true, through either administrative adjudication, failure of the RESPONDENTS to make a timely request for a hearing, or default of the RESPONDENTS, it is the intention of the Commission to impose sanctions upon the RESPONDENTS. Such sanctions may include, inter alia, an administrative assessment imposed on the RESPONDENTS, an additional administrative assessment for investigative cost

arising from the investigation of the violation(s) described herein against the RESPONDENTS, and a permanent order to bar the RESPONDENTS from participation in any securities related industry in the state of Alabama.

ACCORDINGLY, IT IS HEREBY ORDERED that the **RESPONDENTS** immediately **CEASE AND DESIST** from further offers or sales of any security into, within or from the state of Alabama.

Entered at Montgomery, Alabama, this 28TH day of August 2020.



ALABAMA SECURITIES COMMISSION
P.O. Box 304700
Montgomery, AL 36130-4700
(334) 242-2984
BY:

A handwritten signature in black ink, appearing to read "Edwin L. Reed", is written over a horizontal line.

Edwin L. Reed
Deputy Director